

Department of the Navy
Operation and Maintenance, Navy
2C2H Industrial Readiness
FY 2005 President's Budget Submission
Exhibit OP-5

I. Description of Operations Financed:

The Industrial Readiness program is managed in two functional areas:

1. Facilities Oversight – Provides for the lease administration and inspection of Government Owned, Contractor Operated (GOCO) facilities and drydocks. This includes maintenance and disposition of underutilized plant equipment.
2. Industrial Analysis Program
 1. Provides for developing and maintaining the Naval Vessel Register database as mandated by law.
 2. Funds analysis and reporting of the Industrial Base's ability to prepare and implement different strategic actions as related to naval mobilization. Reports of this capability are required to Congress, DoD, and the Navy Department.

II. Force Structure Summary:

This program supports:

3. The Naval Vessel Register, which is maintained in Portsmouth, Virginia.
4. The Special Tooling/Test Equipment Facility, which is located at Naval Surface Warfare Center in Crane, Indiana.

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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

			FY 2004		
	FY 2003	Budget		Current	FY 2005
	<u>Actuals</u>	<u>Request</u>	<u>Appropriation</u>	<u>Estimate</u>	<u>Estimate</u>
	1,375	1,702	1,691	1,459	1,523

B. Reconciliation Summary

	<u>Change</u>	<u>Change</u>
	<u>FY 2004/2004</u>	<u>FY 2004/2005</u>
Baseline Funding	1,702	1,459
Congressional Adjustments - Distributed	0	0
Congressional Adjustments - Undistributed	0	0
Adjustments to Meet Congressional Intent	0	0
Congressional Adjustments - General Provisions	-11	0
Subtotal Appropriation Amount	1,691	0
Across-the-board Reduction (Rescission)	0	0
Emergency Supplemental Carryover	0	0
Program Changes (Current Year to Current Year)	-232	0
Subtotal Baseline Funding	1,459	0
Anticipated Supplemental	0	0
Reprogrammings	0	0
Price Change	0	182
Functional Transfers	0	0
Program Changes	0	-118
Normalized Current Estimate	1,459	0
Current Estimate	0	1,523

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C. Reconciliation of Increases and Decreases

1. FY 2004 President Budget Request.		1,702
2. Congressional Adjustment (General Provision).		-11
a) Sec. 8094: Management Improvements	-4	
b) Sec. 8126: Economic Assumptions	-7	
3. FY 2004 Appropriated Amount.		1,691
4. Program Decreases FY 2004 (Emergent Requirements).		-232
a) Decrease in Industrial capabilities analysis, preparedness, industrial capability studies, fewer published industrial base studies, and fewer plant visits.	-232	
5. Baseline Funding (subtotal).		1,459
6. Revised FY 2004 Current Estimate.		1,459
7. Normalized Current Estimate for FY 2004.		1,459
8. FY 2005 Price Change.		182
9. Program Decrease in FY 2005.		-118
a) Reduced support for Naval Vessel Register, responses to Industrial Preparedness inquiries and less on-site technical representatives to assist in the management of plant divestiture	-118	
10. FY 2005 Budget Request.		1,523

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IV. Performance Criteria and Evaluation Summary :

	FY03	FY04	FY05
Industrial Readiness	Units	Units	Units
Shipbuilding Sectors Supported	6.6	8.7	8.9

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V. Personnel Summary :

	FY 2003	FY 2004	Change	
End Strength	ES	ES	FY 2004 to	FY 2005
			FY 2005	ES
TOTAL CIVPERS	0	0	0	0
TOTAL MILPERS	0	0	0	0
Workyears	FY 2003	FY 2004	Change	
	WY	WY	FY 2004 to	FY 2005
			FY 2005	WY
TOTAL CIVPERS	0	0	0	0
TOTAL MILPERS	0	0	0	0

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VI. Summary of Price and Program Growth (OP-32):

	FY-03 Program Total	FY-04 Price Growth	FY-04 Program Growth	FY-04 Program Total	FY-05 Price Growth	FY-05 Program Growth	FY-05 Program Total
2C2H							
03 Travel							
0308 Travel of Persons	12	0	28	40	1	-1	40
TOTAL 03 Travel	12	0	28	40	1	-1	40
06 Other WCF Purchases (Excl Transportation)							
0637 Naval Shipyards	1,363	-49	105	1,419	181	-117	1,483
TOTAL 06 Other WCF Purchases (Excl Transportation)	1,363	-49	105	1,419	181	-117	1,483
Total 2C2H Industrial Readiness	1,375	-49	133	1,459	182	-118	1,523